

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Docket No. MC98-1

Mailing Online Service, 1998)

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS: LEE GARVEY
(OCA/USPS-T1-8-12)
(July 23, 1998)

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-T1-1-7 to witness Lee Garvey, dated July 21, 1998, are hereby incorporated by reference.

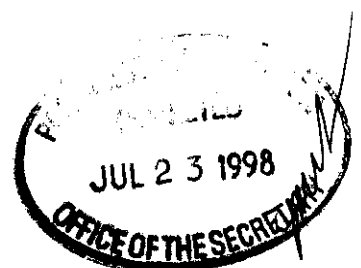
Respectfully submitted,

Gail Willette

Gail Willette
Acting Director
Office of the Consumer Advocate

Emmett Rand Costich

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Acting Assistant Director



OCA/USPS-T1-8. Please refer to your testimony at page 1, lines 13-15.

- a. Please confirm that the Postal Service, via its proposed Mailing Online service, will serve as an intermediary to certain firms in the commercial printing industry, gathering printing jobs from small-volume customers. If you do not confirm, please explain.
- b. Please confirm that commercial printers possessing sophisticated digital printing technology have the capability to receive documents and data in digital form via the internet for printing, independent of the Postal Service's proposed Mailing Online service. If you do not confirm, please explain.
- c. Please confirm that commercial printers awarded one of the 25 expected commercial printing contracts will print, presort and enter the Mailing Online mail matter in the same manner as customers who do not utilize Mailing Online service. If you do not confirm, please explain.

OCA/USPS-T1-9. Please refer to your testimony at page 2, lines 12-15. Please explain the phrase "system-sorted batch mailings."

OCA/USPS-T1-10. Please refer to your testimony at page 5, lines 14-17, where it states that the "printing and production charges [were] covered by the Postal Service as part of the developmental costs." [footnote omitted]

- a. At any time during the operational test period, did the Postal Service cover the printing and production charges by performing the printing and production at one or more Postal Service facilities? Please explain.

- b. If, during the operational test period, the Postal Service contracted with any commercial printers for printing and production services, please provide:
 - i. the name of the commercial printer(s);
 - ii. the location of the commercial printer(s), and;
 - iii. the number of employees of each commercial printer.
- c. Please provide a copy of the contracts referred to in part (b) of this interrogatory.
- d. Since the commencement of the operational test period, on how many days have Mailing Online pieces been transmitted electronically to the postal facility or commercial printer(s) referred to in parts (a) and (b) of this interrogatory? On how many days have there been no transmissions?
- e. Please provide a frequency distribution showing the number of days on which 0, 1, 2, etc., electronic transmissions of Mailing Online pieces have been made to the postal facility or commercial printer(s) referred to in parts (a) and (b) of this interrogatory since the commencement of the operational test period.
- f. Please provide a tabulation showing the volume of Mailing Online pieces broken down by number of transmissions per day. In other words, the tabulation should show the total volume of Mailing Online received at the postal facility or commercial printer(s) referred to in parts (a) and (b) of this interrogatory on days when 1, 2, 3, etc., transmissions were made.

OCA/USPS-T1-11. Please refer to your testimony at page 5, lines 19-20, and page 6, lines 1-4.

- a. During the expanded (market) test period, please confirm that the Postal Service will accept Mailing Online documents in digital form only from customers located in the three metropolitan areas of New York, Boston and Philadelphia. If you do not confirm, please explain.
- b. Please explain how the Postal Service determined that the three metropolitan areas of New York, Boston and Philadelphia would constitute the geographic area of the market test.
- c. During the expanded (market) test period, please confirm that the Mailing Online documents received from customers located in the three metropolitan areas referred to in part (a) of this interrogatory can be mailed to any address in the domestic delivery area of the Postal Service. If you do not confirm, please explain.
- d. During the expanded (market) test period, please confirm that the addition of a second printer will create a second market test area of limited (i.e., other than nationwide) geographic scope. If you do not confirm, please explain.
- e. During the expanded (market) test period, please explain how the Postal Service will determine whether to create a second market test area of limited (i.e., other than nationwide) geographic scope.
- f. During the expanded (market) test period, please explain how the Postal Service will determine the second geographic area to be part of the expanded (market) test.
- g. Please confirm that the Postal Service has solicited bids from commercial printers for the award of a contract to a second printer in another area during the

expanded (market) test period. If you do not confirm, please explain. If you do confirm, please provide a copy of the Request for Proposals (RFP) or other document soliciting bids from commercial printers.

OCA/USPS-T1-12. Please refer to your testimony at page 6, lines 5-6.

- a. Please confirm that the Postal Service will limit the number of participants in the three metropolitan areas during the expanded (market) test period to "several thousand." If you do not confirm, please explain.
- b. If the number of participants in the three metropolitan areas during the expanded (market) test period is not limited, how does the Postal Service intend to inform potential Mailing Online service customers of the availability of this service.
- c. Please confirm that the cost of informing potential customers or advertising the availability of Mailing Online service during the expanded (market) test period has been included in the cost estimates developed by witness Seckar or witness Stirewalt. If you do not confirm, please provide the estimated costs of advertising and informing potential customers.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.



Emmett Rand Costich
Attorney

Washington, D.C. 20268-0001
July 23, 1998